

EXHIBIT G

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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ATHENA ART FINANCE CORP.,

Plaintiff,

Index No. 652258/2020

-against-

that

CERTAIN ARTWORK BY JEAN-MICHEL BASQUIAT
ENTITLED HUMIDITY, 1982, *In Rem*,

Affidavit of Cynthia E. Sachs

Defendant.
-----X

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

SS.:

I, Cynthia E. Sachs, being duly sworn, depose and say:

1. I am the Chief Investment Officer of Athena Art Finance Corp.

2. I state the following facts upon personal knowledge, and based upon my review and familiarity with the transaction documents relative to Athena's \$13.5 million loan to 18 Boxwood Green Limited ("Boxwood"), which documents include the Loan and Security Agreement, amendments, guarantees, schedule of collateral, confirmations of transfers of funds, confirmations of receipt of collateral, among other loan documents executed by the Loan Obligors ("LSA").

3. Pursuant to the LSA dated March 31, 2017, Athena initially provided Boxwood with a \$10 million loan commitment, which was initially collateralized by certain artworks listed on Schedule A thereto, and guaranteed by Inigo Philbrick Limited and Inigo Philbrick. **Exhibit D.**

4. Boxwood immediately drew down \$6.75 million of the \$10 million loan principal.

5. Shortly thereafter, on April 7, 2017, pursuant to Section 3.4 of the LSA, the Basquiat *Humidity* was added to the pool of loan collateral and Boxwood drew down the remaining \$3.25 million of loan principal.

6. On May 28, 2018, the loan commitment was increased by \$3.5 million permitting a total principal amount of up to \$13.5 million.

7. On November 30, 2018, Schedule A to the LSA was amended for the final time, assigning the Basquiat a value as of that date of \$19 million. **Exhibit F.**

8. Having defaulted on its payment obligations as of October, 2019, an action was brought against Boxwood, and the guarantors in December, 2019, resulting in a \$14,306,800.47 judgment on March 2, 2020 (see Exhibit “C” to Lindstrom affirmation).

9. The aggregate outstanding amount of the loan is increasing by over \$150,000 per month.

10. As noted in the Lindstrom affirmation, on November 1, 2019, Satfinance obtained a restraining order from a London court that temporarily barred Athena from selling the Basquiat. The London court, however, dismissed all claims against Athena on May 26, 2020, and thereafter vacated the injunction on June 2, 2020. Athena’s summons with notice herein was filed immediately thereafter. As of the filing of the summons with notice herein, and this order to show cause, there is no legal impediment to selling the Basquiat.

11. As the defaulted debt increases by some \$150,000 per month, the potential net recovery to interested persons who may claim an ownership interest in the Basquiat decreases. At present, Athena is owed \$15.5 million. It is likely that the sale of the Basquiat will satisfy the outstanding debt owed to Athena.

12. Such likelihood is diminished with each passing day, as the interest mounts, because it is not foreseeable that the Basquiat will increase in value at a rate commensurate with the interest rate, particularly in this post-coronavirus economic environment.

13. Athena therefore respectfully requests that it be permitted to immediately move forward with a sale of the Basquiat, in order to satisfy Athena’s default judgment and all other

amounts owed to Athena pursuant to the Loan and Security Agreement, but also to maximize the sale proceeds such that any amount in excess of amounts due to Athena could potentially be shared among legitimate claimants, if any. Such residual amount would represent the remaining equity value in the Basquiat.


Cynthia E. Sachs

Sworn to before me this 16th
day of June, 2020


Notary Public

WENDY J LINDSTROM
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 02L16035790
Qualified in Nassau County
Commission Expires 06/03/2022